

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 841 - SB 992

March 29, 2021

**SUMMARY OF ORIGINAL BILL:** Specifies that any law enacted after January 1, 2022, which results in a net decrease in periods of imprisonment in state facilities, will result in a decrease to the Sentencing Act of 1985 reserve. Specifies that fiscal note estimates prepared by the Fiscal Review Committee (FRC) include operating cost increases and decreases, in current dollars, of the highest of the next ten fiscal years amortized over a ten-year period beginning on the effective date of the law. Revises the meaning of operating costs as it pertains to housing inmates, so that such costs entail all variable costs, rather than all costs, of housing inmates, other than capital outlay costs. Specifies that periods of imprisonment in state facilities include inmates housed by the state in local facilities.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (005923):** Deletes and replaces all language after the enacting clause such that only substantive changes are to: (1) require appropriations made for any law enacted after January 1, 2022, that results in a net increase in persons of imprisonment in state facilities be used only for operating costs for the Department of Correction (DOC); (2) require the annual decrease in appropriations be made in the general appropriations act as a line item reduction for the next 10 years commencing after the effective date of the proposed legislation, as amended, and in an amount equal to the annual estimated decrease in operating costs reflected in the fiscal note; (3) require cost increases be estimated based on the operating costs, in current dollars, of the highest 10 fiscal years commencing after July 1, 2021; (4) require cost decreases be estimated based on the actual estimated operating costs to be reduced; and (5) further revise the meaning of operating costs to exclude capital maintenance costs.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- The proposed legislation will revise the calculation of state incarceration estimates in fiscal notes prepared by the staff of the FRC.
- There will be no impact on actual incarceration expenditures realized by the DOC.
- Any fiscal impact resulting from the proposed legislation is estimated to be not significant as any changes in incarceration calculations will be reflected on future

legislative proposals. Such changes will primarily impact the Sentencing Act of 1985 reserve account.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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